

Commonwealth of Kentucky
Before the Public Service Commission

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COMMISSION

In the Matter of:

Proposed Adjustment of the Wholesale)
Water Service Rates of Hopkinsville) Case No. 2005-00174
Water Environment Authority)

CHRISTIAN COUNTY WATER DISTRICT SECOND DATA REQUEST

Christian County Water District, by counsel, submits the following questions to the city of Hopkinsville pursuant to the Commission's order of August 26, 2005.

1. Refer to Response 23 to CCWD. Explain how the rate adjustment using FY 2005 through 2009 financial data as the basis for the city's proposed rate increase conforms to the statutory requirement of an historical test year required by KRS 278.192.

2. Refer to Response 26b to CCWD. The response states that small mains were not included in the allocations to CCWD. On Table 14 of the Black & Veatch Report, line 9 "All Other" is described in the footnote as including small mains, storage, meters and service and hydrants. Explain why small mains, storage, meter and service and hydrants were allocated to wholesale as indicated on that table.

3. Refer to Response 26 to CCWD. The response did not address sub part b. Explain how the rate to CCWD does not include an allocation for small mains if the rate to CCWD is calculated on the retail rate to HWEA customers times 1.3.

4. Refer to Table 15 of the Black & Veatch Report. Explain the “Capacity Factor” in column 3. How is this related to the 20% capacity factor discussed in relation to CCWD contract requirements?

5. Refer to Response 29 to CCWD. The response does not provide the rate information requested. The reference to page 38 of the Black & Veatch Report indicates that the proposed rate is calculated on an “existing contract modification” and is based on an index of 1.3 times the applicable city rates. Provide the rate to the CCWD if the index of 1.3 is not used.

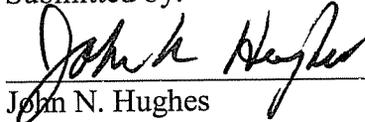
6. Refer to Response 33 to CCWD. Is HWEA proposing an historical test year or a future test year?

7. Refer to Exhibit 5a of the Responses to the PSC. Ordinance 11-2005, section 12, refers to a minimum coverage of 115% or a rate adjustment is required and to the city’s ability to reduce rates if the coverage equals 130%. Explain why on page 21 of the Black & Veatch Report coverage of 135% is required.

a. Provide the debt service coverage calculations for the last 5 years.

8. Refer to Table 7 of the Black & Veatch Report. Which of those projects relates to service to CCWD?

Submitted by:



John N. Hughes
Attorney for Christian County
Water District

Certificate:

I certify that a copy of this data request was served on Holland N. McTyeire, V, 3500 National City Tower, 101 South Fifth St, Louisville, KY 40202-3197 and Andrew Self, Box 1065, Hopkinsville, KY 42241-1065 by first class mail the 7th day of October, 2005.

